




TOWN ADMINISTRATION FISCAL YEAR 2015 GENERAL FUND BUDGET RECOMMENDATIONS


December 11, 2013

Board of Selectmen's Meeting





FY 2015 General Fund Budget Forecast – Big Picture

- Revenues
 - ▣ Total Projected Revenue: \$78,259,791
 - Expenses
 - ▣ Total Projected Expenses: \$77,702,523
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General Fund Major Revenue Categories (over \$1m*)

Category	Current Projection	% Increase/Decrease over FY 2014
Property Tax		
Tax Levy	\$ 62,046,000	2.5% increase
New Growth Estimate	\$500,000	26.4% decrease
Allowance for Abatements	(\$1,387,000)	3% decrease
Debt Exclusion	\$6,787,000	0.8% decrease
State Aid	\$1,717,209	0.5% decrease
Local Revenue	\$8,596,582	0.4% increase
TOTAL	\$78,259,791	1.5% decrease*
<i>*total does not include EF indirect costs or Free Cash use</i>		

General Fund Expense Categories (over \$1m)

Category	Current Projection	% Increase/Decrease over FY 2014
Town Expenses	\$4,982,675	0.7 % increase
Town Salaries	\$14,864,000	current contract; c/b allowance
School Expenses	\$4,755,573	1.2% increase
School Salaries	\$18,972,000	current contract; c/b allowance
Health Insurance	\$9,972,000	12% increase
General Insurance	\$1,504,000	0% increase
Debt Service	\$7,421,391	per estab. schedule
Retirement	\$3,420,000	6% increase
Enterprise Fund Subsidies	\$7,899,598	0% increase

Other Expenses

Expense	Current Projection	% Increase/Decrease over FY 2014
Health & Human Services	\$317,880	0% increase
County Assessment	\$170,201	0% increase
Reserve Fund	\$500,000	0% increase
Unpaid Bills	\$35,000	390 % increase
OPEB (?)	\$250,000	0% increase
Overlay & Other Deficits	\$100,000	76% decrease
Cherry Sheet Charges	\$396,613	0% increase
Community School	\$350,000	0% increase
Min Cap Funding Req.	\$739,094	n/a- 1% of Prior Year Revenue
School EIRs	\$400,000	n/a
Town EIRs	\$400,000	n/a
Wage Study Possible Increases	\$150,000	n/a
TOTAL	\$77,702,523	0.4 % increase

Town Expense Increases (above Projected Budget)

- \$1,138,991 Submitted Requests
- \$903,291 Recommended
 - One-time: \$388,060
 - On-going expenses: \$237,535
 - On-going personnel: \$277,696
- To be funded through available tax levy, budget adjustments, alternate funding sources, free cash, potential revenue increases

Funding Sources for Town Expense Increases

Funding Source	
Tax Levy & Other General Revenues	\$404,513
Free Cash	\$388,060
Other Funds	\$110,718
Total	\$903,291
Revenue Increases**	In progress
Savings from Program Elimination (Sr Day Care)	(\$60,000)
Total	\$843,291
<i>**could offset tax levy amount</i>	

Initiatives/Needs/Goals Being Met/Addressed with Budget Recommendations:

- Human Services
 - Part-time Veteran's Agent
- Improve facilities maintenance and security
- Acquisition of IT resources necessary for:
 - Town website improvements
 - Social media management
 - Management of new technology (tablets, etc)
 - Acquisition of automated time & attendance software
- DPW
 - Address service gaps evident in FY 13-14
- Liquor, Entertainment, Taxi/Tour inspection program
 - License compliance oversight/customer service
- Water quality (biologist position)
 - Dedicated resource for water quality monitoring, analysis, reporting

Actions/Efforts Being Taken to Reduce Expenses and/or Increase Efficiency

- Personnel
 - Review staffing when key positions become vacant
 - Combine/consolidate duties where appropriate
 - Cross-train staff where appropriate
 - Increase training opportunities so as to reduce reliance on consultants, reduce legal fees and other expense impacts (ie, effort to get several employees certified as Mass Public Purchasing Officials)
- Telephone system improvements
 - Procedure established to actively review phone line activation
 - Implement less costly telephone system (bills reduced by half since 2008/savings = \$60,000+)
- Increased use of volunteers for municipal services
 - Senior Work-off Program
 - Volunteers-in-Police Services program (VIP)
 - Engage citizens in work groups (ie, Our Island Home Long-term Planning Work Group, Sewer Plan Work Group, New Fire Station Work Group; Capital Program Committee)

Actions/Efforts Being Taken to Reduce Expenses and/or Increase Efficiency - continued

- Department reorganizations (ie, PLUS, DPW)
 - Eliminate duplication of equipment, duties, supplies
 - Consolidate services
 - Focus on areas of need (engineering, surveying, facilities mgt/maintenance)
- Regionalization
 - E-permitting (Community Innovation Challenge Grant)
 - Earth Channel (streaming meetings)
 - Interactive app for reporting/tracking of public works and other items (See Click Fix)



Service Improvements in FY 13-14

- Passport application processing (Human Services)
 - Central Dispatch
 - Completion of program
 - In-house engineering services
 - Established Town Engineer position at DPW
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Outstanding items/Current unknowns


- Capital Program Committee recommendations
- Unexpended capital project appropriations
- Retirement increase confirmation (end of Dec)
- Completion of budget message/narrative
- Citizen warrant article appropriation(s)
(unfunded in Town Admin FY 15 Budget Plan)
- Chapter 90
- General Fund subsidy to Airport, OIH, SWEF
- Collective bargaining (10+ unions)

Preliminary Free Cash Recommendations

General Fund Free Cash	\$5,671,720
Unpaid Bills*	\$35,000
Town & School Capital Projects	\$3,000,000
Brant Point Boat House**	\$500,000
Town Expense Increase Requests (1 time)	\$188,000
OPEB*	\$250,000
Total	\$3,973,000
<i>Remaining</i>	<i>\$1,698,720</i>
Capital Projects Stabilization Fund	\$1,698,720
<i>*Also in General Fund budget projection</i>	
<i>**Seek more complete appropriation, now</i>	



Next Steps

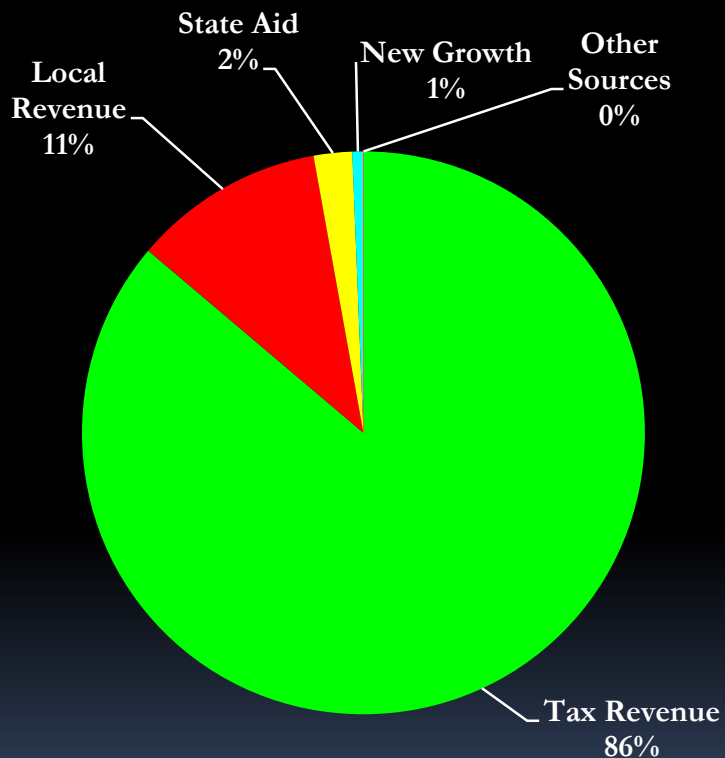
- December 17: Town Admin review of FY 2015 General Fund Budget with School Committee
 - December 18: Board of Selectmen continue review of FY 2015 General Fund Budget
 - January 8: Board of Selectmen public hearing; adoption of recommended FY 2015 General Fund Budget
 - December & January: review of Enterprise Fund Budgets
 - Mid-January – mid-March: Finance Committee review of General Fund & Enterprise Fund budgets; other financial appropriations
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Additional Information

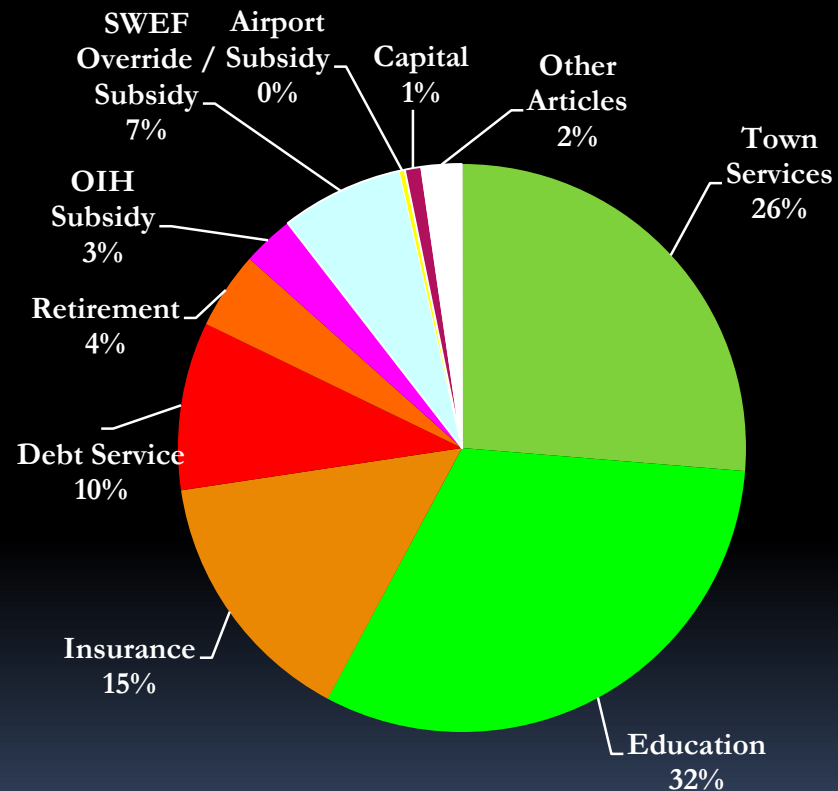
FY 2015 General Fund Budget Revenue and Expenses

Projected Sources As of 12/09/2013



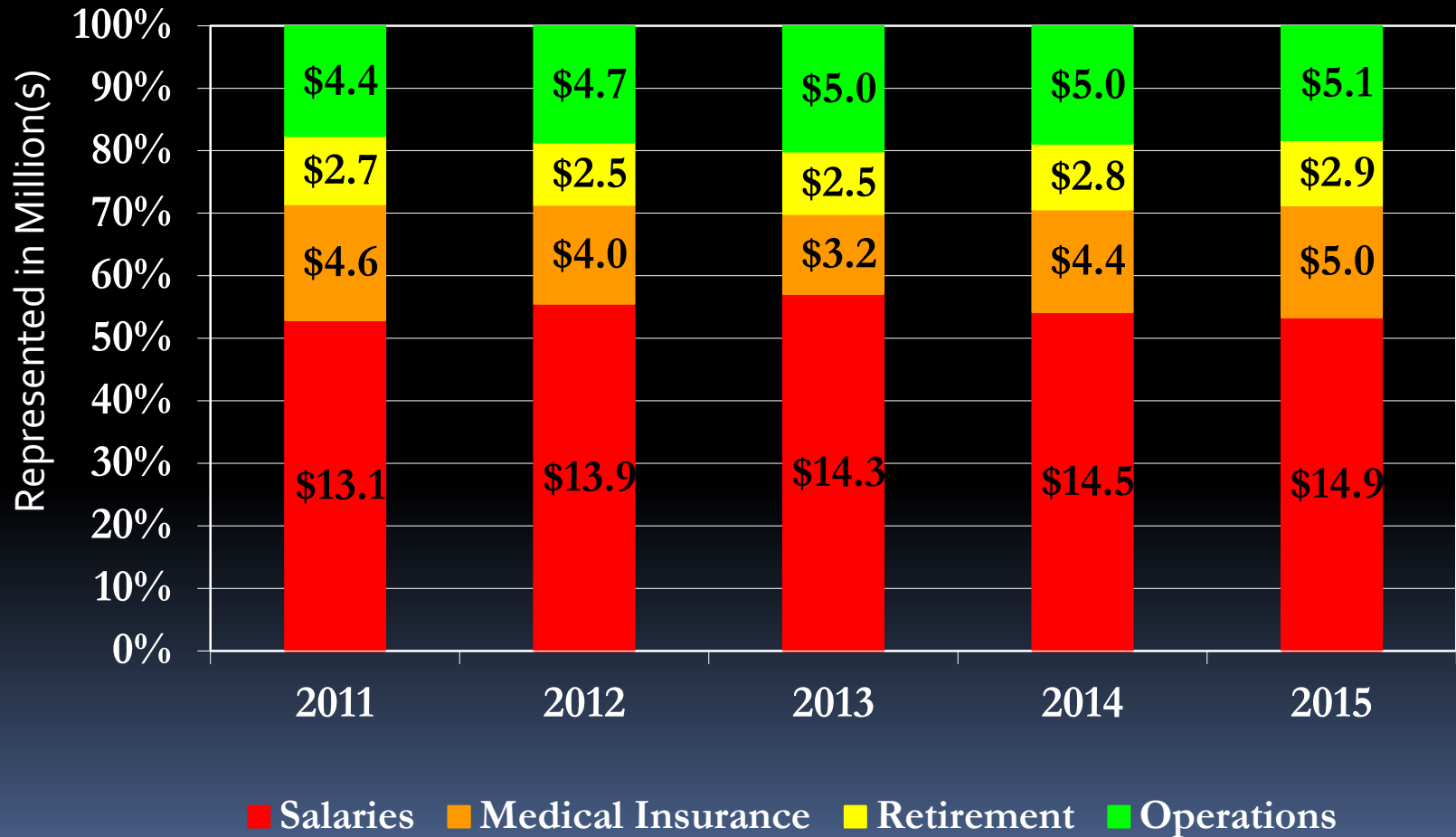
\$78,259,791

Projected Expenses As of 12/09/2013



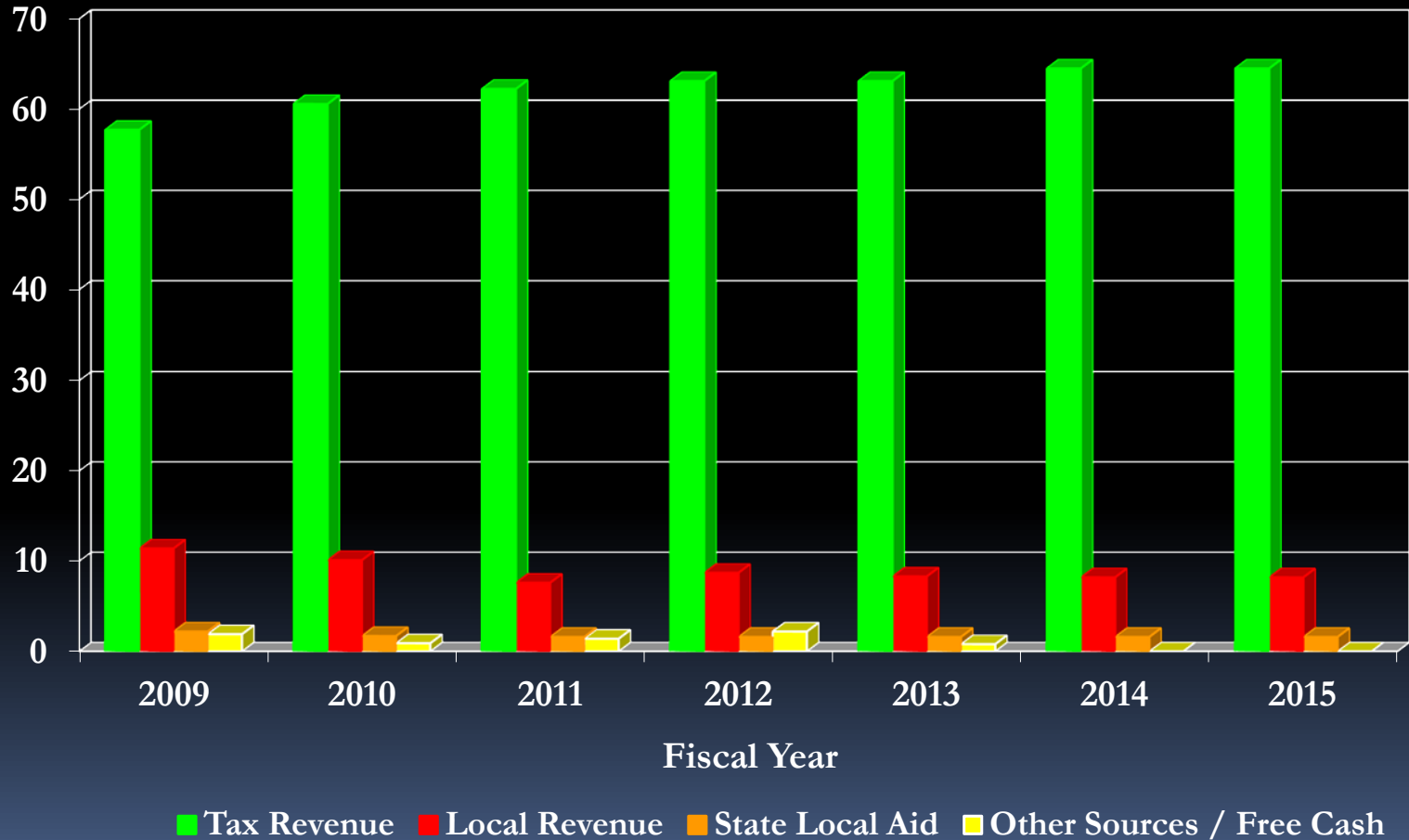
\$77,702,523

Town Expenses, Salaries FY 2011-2015

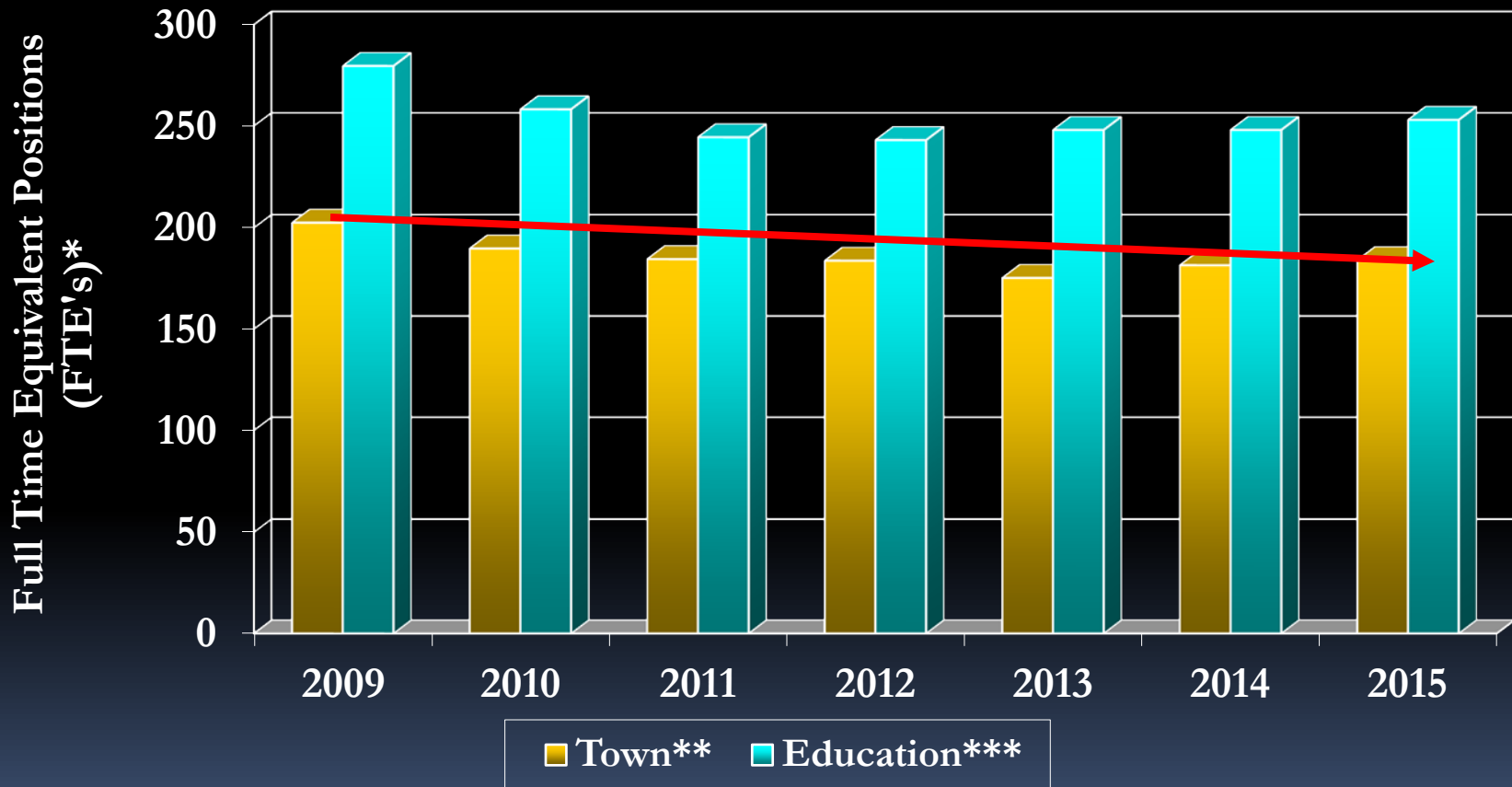


General Fund Revenue

FY 2009-2015



General Fund Personnel History FY 2009-2015

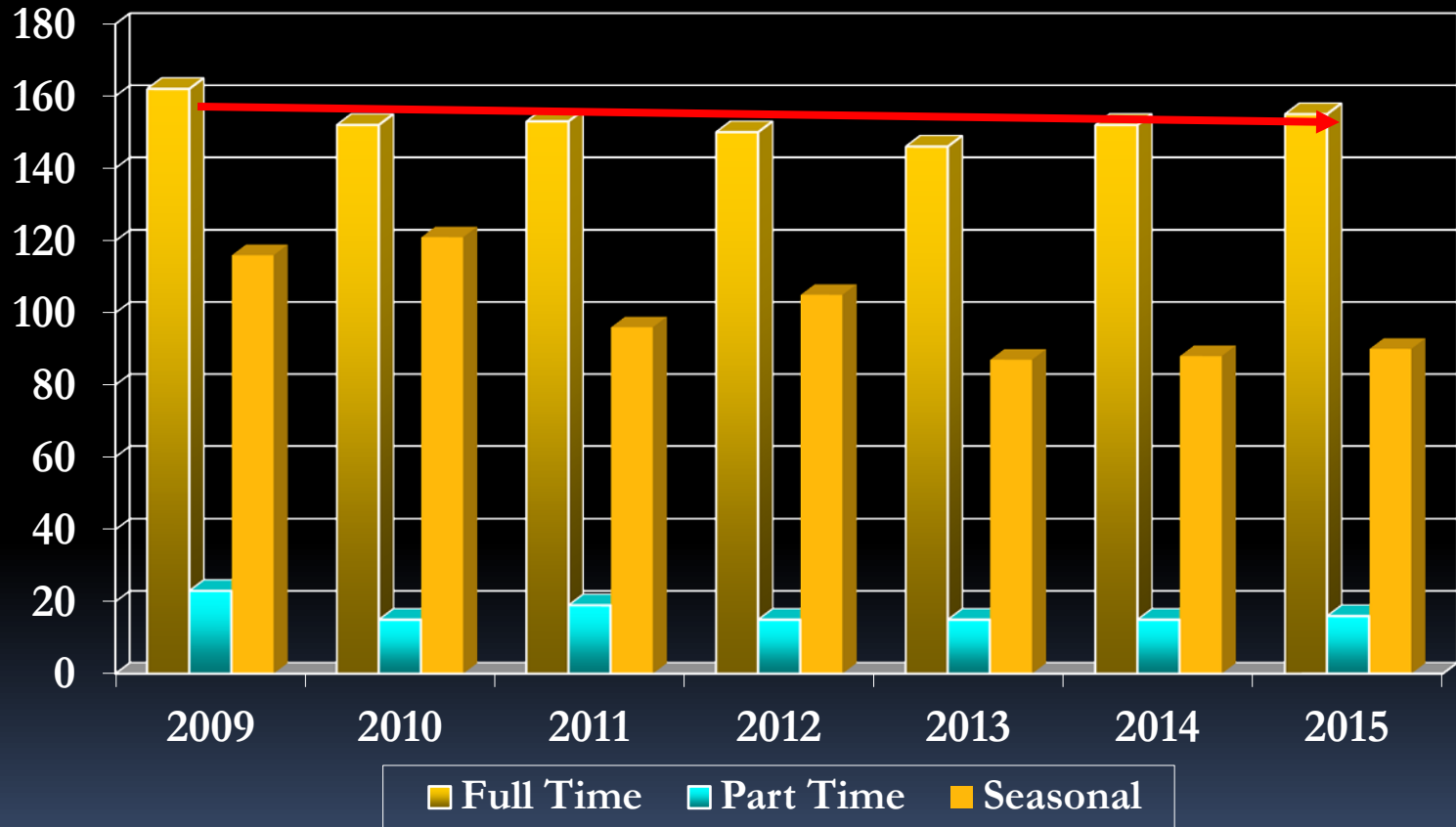


*Full Time Equivalent Calculation = 33-40 Hrs 1.0; 20-32 Hrs 0.50; Seasonal = 0.25

**For comparative purposes, Town Personnel History does not include Our Island Home

*** Education Personnel History includes Community School Employees

Town Personnel History FY 2009-2015



***For comparative purposes, Town Personnel History does not include Our Island Home*